

# MANAGEMENT OF LABOR CONFLICTS IN PUBLIC HEALTH ORGANIZATIONS

- Résumé -

PhD Belu Adriana Elena

PhD thesis with the theme "Management of labor conflicts in public health organizations" treats a very important issue, of the present, with extensive and multiple implications for public health. The work can be considered as an interdisciplinary study justified by two arguments:

- first, it is essential to applied research step, the knowledge and use of enshrined informational content in management literature, especially of models and mechanisms of managerial activity on the administration of human resources, managerial style, mobilization capacities, communication, coordination or decision ones and, not least the mechanisms characteristic to collective relations established between managers and employees;

- second, it is required for the implementation phase of research findings, capitalization of an informational sphere of law field, specifically, labor law, because labor conflicts are based both on specific regulations of labor law and on a juridical literature, of great interest and of strict use for a concrete optimization of labor social relations.

The PhD thesis highlights, as a work concentrating on labor conflicts management in public health organizations, the possibilities to improve the relations among the following three factors:

- ◆ management, understood as the formal ability of the leader to achieve performance in the organization's work with people;

- ◆ labor conflicts, i.e. conflicts between health professionals and public health organizations with which they concluded the individual employment contract, based on failure to resolve claims of professional, economic, social character or not giving rights that are based on labor law, labor collective contract or the individual employment contract;

- ◆ public healthcare organizations, defined as public institutions entirely financed from own revenues made under contracts with Social Health Insurance Houses. Without a doubt that the activity of all healthcare organizations is influenced by economic or social factors, but as resulting from the findings of this study, internal managerial factors have a determined role in preventing labor conflicts and, as a consequence, in optimizing psychological climate at work, thus ensuring a good quality of health services.

The work is structured in six chapters.

The first chapter put forward "Management development imperatives in the health system", under a specific organizational framework of economic, strategic, social and managerial difficulties. We found that healthcare organizations can feel a "management pressure" forcing inert systems and structures to become more flexible and to be concerned with the implementation of modern practices specific to management in healthcare organizations. In healthcare there must be exceeded the "necessity management" characterized by resorting to management only when crises or conflicts reach climax. It is true that we can learn something from crisis or conflicts, we draw conclusions, but the consequences of the unsolved crisis or failures of unsolved conflicts, in due time, are very costly.

Organizational development and management in healthcare organizations is a productive orientation. Organizational development process requires common research approaches and particular needs of each health system hospital organizations. Research can

provide decision-makers to materialize concrete conclusions and proposals which can ensure a better state of the system and a psycho-socio-professional climate in hospitals that can prevent conflicts and optimize the relationship with beneficiaries.

Chapter II may be related to a scientific approach needed to identify the conceptual boundaries of organizational conflicts of Healthcare. The conflict has always existed and still exists between people, either separately or in groups of one kind or another. Wherever there are people there are also ideas, values, circumstances, styles and standards that may conflict, which means that anything can cause a conflict: objectives, goals, aspirations, expectations unconfirmed, habits, prejudgments, personalities and ideologies, competition, sensitivity and offence, aggression and many more. Therefore, the conflict between people is installed, in all situations and, it is humanly expressed at any stage, and the attempts to analyze or solve it which do not take into account these truths are doomed to failure. With all that, there are many conflicts that are not minor, but may be more serious because they can damage the morale, behavior, positive or supportive attitude of staff performance.

Also, like any social organization the existence and dynamics of any organization requires both cooperation or dialogue and conflict because conflict is an inherent organizational process. Given the inevitable character of conflicts, it results that management is one of the most important activities, and the management of conflicts is considered by more and more specialists in the field as being as important as the other functions of human resources management. The causes of labor conflicts to organizational level are multiple: lack of communication; lack of open communication, honest, sincere; faulty communication, intermittent, truncated; spread rumors, fake information; major differences between the perceived value system of managers and that of their employees; predominantly or exclusively authoritarian management; ambiguous management, which lacks clarity and consistency; dependence of the organization on external factors; impossibility to achieve the objectives assumed by the organization due to irrational planning; lack of a personal politics regarding the development of human resources; perceptions and misinterpretation of social, economic or legal events; reinforcing a climate of anxiety and mistrust; unacceptable discrimination in industrial relations.

Not every labor conflict must be qualified as "destructive", since there are specific instances in which the result of the employees' will has a positive sense, in one way to correct organizational or decision errors and, on the other to reestablish some broken rights or wrongfully not given .

In this kind of situation, the labor conflict is considered as being "beneficial" and there are imposed the following recommendations: the solving of the conflict must begin at the first signal of divergences; the communication between the parts must be direct, sincere, complete; the dialog must allow each part to expose all its arguments; the parts must show availability to solve the main issues and the details; they must start from the idea that the parts can gain equally by solving the declared state of conflict, in other words, it is not wanted the advantage of one party at the expense of the other.

Depending on the situation, conflict management must be understood as a management of success. The conflict must not be perceived as a negative force but as a positive force which may determine new performance in the organization. In this sense, the manager must find how the conflict can be directed and managed to maximize its positive effects and reduce the negative ones. Predominantly authoritarian management lacks efficiency and it is ambiguous, lacks clarity and consistency. Employees should be helped and encouraged by positive motivation and not manipulated and blackmailed with the loss of some rights including their jobs.

The next four chapters are a real involvement in scientific research, as each chapter is a case study undertaken in order to clarify key issues in relation to labor conflict management.

Thus, Chapter III named “Internal communication – instrument of management to prevent conflicts of rights”, includes, in the first part references to the importance of communication process, it clarifies key elements for all forms of communication – spoken, unspoken, vertical, horizontal, descending, ascending – so that in the light of these strict theoretical approaches there can be presented with scientific rigor the core of the investigation.

The case study on labor conflict management has considered two categories of purposes:

A. A theoretical purpose: contributions to the development of a theory applicable to public health organizations (when designed to solve labor conflicts), to make explanations on:

- Psycho-social and legal nature of labor conflicts;
- typology of managers and their attitude to the conflict, the effects of soaring labor conflicts;

B. A pragmatic purpose: practical support in informing managers of public health organizations on the causes and strategies of prevention and solving of labor conflicts and, support in maintaining and self-developing managerial skills applied in conflict situations.

Stating the work hypothesis. We considered our investigation as being “explorative”, i.e. we gave it an observant character. Hence, we decided to verify empirically the following causal relation: a labor conflict starts and develops in situations where the manager cannot prove abilities and skills specific to internal communication.

*Establishing the healthcare organizations included in the case study.* In order to verify the mentioned work hypothesis we decided to include in the scope of the investigation only public organizations and so we chose among healthcare organizations: „Filantropia” Municipal Clinical Hospital in Craiova, The Municipal Hospital of Băilești and The City Hospital of Calafat.

All three organizations are healthcare units of public use with legal personality, having as main object of activity the supply of medical services.

We found within each of these organizations a conflict of rights that started at the beginning of 2006 and continued during the entire year of 2007: they did not receive individual food allowance (in the form of meal vouchers).

The mentioned hospitals were ordered by an internal decision that in the budget revenue and expenditure of healthcare organization there are provided food allowance amounts only to employees who work in the sections with beds and not to those who work in outpatient (former clinic) or school medical cabinets. In this way, the personnel of the outpatient and school medical cabinets were convinced by the managers for an entire year that they were not entitled to receive meal vouchers because the state budget law said that. Lacking a legal training and a full trust in their manager, the staff that had this right denied continued its work, in silence, in spite of the discrimination for meal vouchers. After a short while this category of staff became aware of the illegality of the disposition of the manager and triggered the conflict of rights.

The conflict of rights for the denial of meal vouchers, could have been prevented or even resolved without the intervention of the court. Thus, outside the optimal working climate which ensures in all the cases a high performance and for the organization a high efficiency, the money funds would have not been touched to pay court expenditures and revised amounts including the inflation index.

Retaining the criterion of internal communication, the managers in the investigative sample proved deficiencies under the following aspects:

- a. In his quality as a leader he/she did not know how to communicate, and the purpose of managerial communication consists in achieving efficient and effective information both vertically and horizontally. Communication of each manager with chief

accountant regarding to respect a right of the employees by legal norms and by the clauses of collective contract of labor for healthcare branch proved lack of information and the dismissal of arguments of the legal advisor regarding a legal right led to the outbreak of a labor conflict and not to its prevention.

b. When coordinating, the managers have defied operational feedback when employees informed them of the legal content of applicable law. Thus, both labor law specialist (counselor of Healthcare Organization), and employees advised by the lawyer were irrationally rejected by a manager who had no idea on managerial communication.

c. When the court was notified and saw the content of the actions brought by the lawyer chosen by the employees, the manager had to be reconciled and recognize the justified claims of healthcare staff. He preferred to insist on his vulnerable decision thus bringing prejudice to the patrimony of the Healthcare Organization.

d. The managers did not know how to use the specific guidelines of communication during a crisis or professionally approach the conflict. At the first hearing it was appropriate that the managers solve the conflict already existing to support the granting of rights issue. If managers had recognized at that phase that the claim of their employees were satisfied then the Healthcare Organization were no longer obliged to pay the court costs and could have been avoided that prejudice because of incompetence, to the organization.

In Chapter IV there are presented two case studies included in the hypothesis referring to “the connections of working climate with conflict situations”. First investigation aimed at understanding and use of components of the motivational process in order to prevent labor conflicts in Dolj public health organizations. Organization as a whole can provide the context that can achieve high levels of motivation by providing incentives and rewards, work satisfaction and learning and developing possibilities.

Motivation at work must take place in a procedural not episodic manner, it must settle a stimulating and rewarding feeling and not to draw some confusing views. Hence, we opted for a relevant method in order to know the role of motivation in preventing conflict situations: opinion survey. People are showing an external view, which can be passed through a filter of self-censorship, protecting themselves from possible consequences resulting from sincerity, sometimes upsetting, of telling the truth, as may hide (or not) an internal view, a faith or belief considered fully consistent with objective reality. The researcher must be capable to win the cooperation of the person investigated, ensuring anonymity to his/her opinions and their use in professional or social practice interpreted in a statistical context.

The case study proved that in healthcare units where the manager proves a preoccupation for motivational process, there is a positive correlation with equity division and with procedural equity and the consequence is expressed by a state of contentment, in an optimal working climate, with no conflicts.

Without being removed the financial incentives policy, the manager must introduce in the motivational process the complementary ways of motivation, the core of which must be behavioral strengthening, i.e. evidence, praise. Thus, health professionals accept, even justification for lack of funds for cash rewards and appreciate participatory, encouraging style practiced by the manager. Work performance can certainly be stimulated by using tactful, psycho-behavioral techniques towards which the attitude of the healthcare staff is always friendly and rally.

The manager can provide valences to motivational process specific to high quality and performance, if it keeps in mind the following key principles:

a. motivation must be equilibrated by the ability of the employee. Thus, it is not sufficient for an individual to be well motivated to do a certain thing, if that person does not have the skills, knowledge, experience, etc. to do so. The inexistence of such

equilibrium between motivation and skills leads, most of the times, to the failure of some motivational programs promoted by companies;

b. the existing individual differences when choosing the reasons: people are motivated by different things, the same motivational program can have success to some employees and prove inefficient to others. That is why, it is necessary to consider the individual differences when elaborating some motivational programs;

c. motivation of employees cannot be evidenced for each and everyone because cannot be perceived on site, i.e. directly; the dynamic nature of motives: the factors which motivate individuals are changing, because the employees must deal with new conditions, mature or regress etc. This has direct consequence on motivational programs: many of the managers observe that the people they work with do not answer favorably to motivational forms used in the past and yet, they do not give up in using them. The conclusion is clear: motivational programs must be based on a deep and continuous analysis of employees.

Thus, motivation is a source, an incentive to performance but should not be viewed separately from the other aspects and modalities of professional activities: organizational culture, managerial style, social signification of work, experience and structure of character of the employee.

Another case study highlighted the "Impact of organizational culture on labor conflicts". Organizational culture is a type of social phenomena that cannot structurally exist with the same content "anyplace" and "anytime", i.e. private organization can have a type of culture, public organization another kind, so that among public organizations there can be identified during the research of varied modalities of culture from a public domain to another and, why not, even within the structure of the same domain to exist differences among the composing organizations, depending on the cultural criteria.

Knowing that the consolidation mechanism of an organizational culture, both managers and employees, react to internal or external events through the filter of some dominants crystallized in time, we decided the application of sociological survey made of written questions which will not disturb and will allow the same interpreting sense for all that there are questioned. The components of the culture that made the object of the present case study drawn from conclusions from other published researches by valuable authors and adapted to the realities of Romanian Healthcare Organizations, were the following: trusting climate, management of change, stressing environment, management of solving the claims and mentality doubled by daily behavior by which is characterized the working force in the hospitals.

The case study aimed to the relationship "organizational culture - working climate - conflicts" and highlighted the following:

1. health professionals prove mistrust in the autonomy of hospitals in terms of human resource allocation in line with staffing needs, capital investments (equipments, machinery), field specific purchases (medicaments, combustible etc.), insufficient understanding to use a management of information etc.

2. in healthcare organizations where the employed staff has a trust culture regarding the manager of the hospital, there is a positive working climate and consequently, there are no labor conflicts. On the contrary, the lack of trust in the manager is equal to tensioned climate and bursting of conflicts;

3. the interventions on some competence of organizational culture were synthesized in the expression "management of change" having as object the working climate. In healthcare organizations conducted by managers that prove indifferent to the nature of working climate there were noticed conflicts, comparatively to the organizations conducted by managers preoccupied with organizational changes, where the climate was optimized and the conflicts prevented;

4. mentality expresses a culture of personality expressed specifically in relations with work colleagues, professional tasks and self.

We found that healthcare professionals of surveyed organizations are satisfied with mutual relations established within daily routine, so that the structure of working climate nuanced positively on the basis of collegiality;

5. organization's culture can be a potential source of stress mainly on action and communication dimensions (i.e., what is done and what is said), and "hospital health" is permanently affected by stress factors, pressure, being possible a weakening of the public or physiologic state of the staff employed. However, hospital employees showed full accommodation to the life of healthcare organization and did not invoke the internal environmental factor as a stress factor with implications on the environment or conflicts.

Staff management, understood as a responsibility of all those who lead people as managers, must include a permanent interest towards the culture of the organization because the value orientation of the employees determinate efficiency, optimal climate and full engagement in a activity which generates satisfaction. In healthcare units, health professionals internalized the culture of a priority: the care for the inpatient. The ideal must be held only by the patient: "I was treated fairly and selflessly!".

In Chapter V is presented in detail the research on "The Effectiveness of Participative Management in Preventing Labor Conflicts". In this sense, a first case study was focused on manager skills to manage power.

Can the manager, by exercising his/her power as a leader to decide the prevention and solving of a conflict qualified by antagonism, with negative impact on the performance of the organization?

The answer concerns the nature of power-conflict relationship in public organization and the case study expresses the reality found in downstream healthcare organizations in the city of Craiova.

The research was carried out based on the call method and questionnaire-based survey. The conversation held with some of healthcare staff suggested the development of items (questions) in terms of content, and the application of the questionnaire to a representative sample gave us the possibility to process the answers and interpret statistic values.

The advanced formalization of the business of public healthcare organizations determines an appropriate formalization on organization level including on the organizational structure level. In order to avoid the probability that some arbitrary compartments of healthcare professionals may appear, the formalization of the organization means to establish who, what and whom they command. This imperative determines the distribution of management authority towards chiefs of department and other persons with responsible functions in healthcare organization. The lack of management knowledge of the one elected to lead the organization can concretize, under this aspect, in exclusive assumption of authority and implicitly in avoiding the distribution of leading forms and control.

The case study confirmed the relation between the authoritarian, individualistic power exercised by the managers of the two healthcare organizations (Clinical Hospital no.1 and „Filantropia" Clinical Hospital) and the bursting of labor conflicts in the context of a tensioned organizational climate, comparatively to another healthcare organization (Contagious-infectious diseases hospital) where the manager made a distribution of authority, and so organizational conflicts were prevented.

A manager with leadership ambitions must have an internal structure "transactional", communicative, and balanced. In spite of the conditions imposed to decisional process by the environment or internal climate of the organization, the manager has to prove availability to listen and adapt to realities expressed by human structure of the

organization he/she leads. In other words, the preoccupation of the manager to accomplish the objectives of the organization and for public image must be accompanied by a cooperative attitude, empathic towards the members of the organization. The transaction does not mean indulgence or tolerance or complicity. On the contrary, it means receptivity and consistency in stimulating those who respect the performance criteria. The transactional leader establishes the clauses in working relations and respects the assumed commitment.

The case study highlighted the relation “transactional leader – labor conflict” in the two possible variants:

- healthcare organization led by a manager recognized in transactional style, work climate was favorable to the activity specific to the field, without registering any labor conflicts (Contagious-infectious diseases hospital);
- rigid manager, stuck in bureaucratic decisions, not concerned with psycho-social climate in the healthcare organization, contributed with this style in transforming the states of dissatisfaction expressed by healthcare professionals, in labor conflicts that reached the courts.

Participative management was defined, based on researches, as “ideal system”, because productivity is excellent and the key word is participation.

Managerial necessities of healthcare organizations request the structure of a participative manager profile, understood as “total leader”, which creates an optimal working climate, prevents conflicts and ensures superior results in medical practice. Such desired relation is highlighted also by the data of this research.

The investigation revealed a positive relation between participative management and psychological climate, free of labor conflicts.

In contrast with authoritarian style, participative style leans the views of subordinates towards the qualification “ideal manager”.

Participative manager should not be confused with the administrator of the organization who is willing to do anything possible to see accomplished the proposed or imposed objectives. On the contrary, he/she is a leader who contributes to the development of the organization counting on the collective support of which he/she respects and defends its interests and towards which he/she adopts an exclusively democratic style.

Being a participative manager and having subordinates capable of performance, it supposes an effort of both parties, possible by two-way communication.

Participative manager is an excellent leader characterized by: good strategist, a balanced use of formal power and freely consented authority, has the capacity to orient towards the task and also towards the people, he/she is objective – correct – just in his/her relations with the subordinates, is the adept of change because he/she is a flexible and transactional nature, inspires trust, shares a vision, has charisma and is preoccupied with the optimization of his/her own leading style.

Participative manager has permanent knowledge of the affective pulse of the participants to organizational life, he/she gets rationally involved in creating the optimal work climate and eliminates from the start any pretext generating labor conflicts.

The case study presented in Chapter VI aimed to “Management of collective negotiation within the context of conflicts of interests”. The main objective of managers in the sphere of their relations with the employees must be obtaining the cooperation of labor power to meet the objectives of the organization, i.e.: financially efficient performances (in the case of hospitals, major revenues in terms of contracts made with the health insurance houses and correlatively the reduced expenditures with labor power); the control and optimization of organizational and functional changes on criteria of efficiency; avoiding the interruption of work because of labor conflicts.

The employees are guaranteed both the right to collective negotiation and the possibility to claim for normal working conditions. Therefore, the conflicts of interests can be determined only by the misunderstandings related to collective negotiation.

The situations when there can be opened conflicts of interests are the following:

a) The unit refuses to start the negotiation for a new collective employment contract, in the case it did not sign a collective employment contract or the one before was terminated;

b) The unit does not accept the claims made by the employees;

c) The unit refuses, in an unjustified manner the signing of the collective employment contract, even though the negotiations had been defined;

The unit does not comply with its obligations provided by law to start the annual obligatory negotiations for salaries, the working duration, working program and labor conditions.

By the end of the year 2008, the people employed in the studied healthcare organizations asked the manager to start the collective negotiation because at unit level there is no collective employment contract, and the law established the obligation to initiate negotiations as being a manager's tasks. None of the managers responded favorably to the legal norm, so that it was necessary an official request, registered, of the employees' representatives.. Only in this secondary phase the managers from two public health organizations agreed to start collective negotiations which finalized as a collective employment contract.

The managers of these two healthcare organizations are doctors and they happily included themselves in the "picture" of technocratic manager, of which we learn:

- authentic technocrats are excellent managers; they work in a precise manner, rapid too, without hesitation or complexes, putting their principles into value, their models and their excellent managerial technique. As presented above, in terms of dictionaries, technocrats make possible the prevail specific issues, technical ones of a problem at the expense of social consequences;

- Technocrat managers control their emotions, maintain distance from subordinates, are serious, analytical, methodical, cerebral, conservative, profound, decided and prove, most of the times, excellence. They are respected but, they are not loved. Their power consists in their deep analysis of the situations that they completely control. They are capable to offer for any situation alternative solutions. They have the capacity to transmit to others their knowledge, which is a quality appreciated by the subordinates.

- as a strategy, technocrat managers count on alliances and prove opportunity in the programs they assume.

To the public health organizations where there started the conflict of interests, the managers made the following errors:

a. they did not start the collective negotiation and did not accept its beginning when asked by the trade union organization, even though the law obliged them to act as requested by the employees;

b. they had no legal justification for it, motivating that healthcare branch has a collective employment contract and, at organization level the negotiation would be useless. They also proved an informational deficit and a totally ineffective communication with the subordinates;

c. they did not gave in and accepted to give up their wrong, abusive and illegal point of view not even in front of the arguments presented by the delegate of labor ministry in the conciliation phase, or the mediator present during mediation;

d. they decided in a completely irrational way not to accept the presentation of the conflict of interests to an arbitrary commission that based on documentation would have certainly solved the labor conflict and the way to strike would have been stopped;



e. the rigidity of the manager and the refuse of a social dialog where economic and human arguments may prevail, propelled the conflict of interests to its peak point: the strike.

Through the conclusions of the study we express an orientation to a management of functional conflicts, i.e. to maintain an optimal level of conflict reported to the correlation to the evolution of organizational processes. This imperative scientifically motivated is dependent on the level of managerial development in the public health organization, because the management of labor conflicts represents an essential criterion to reach global managerial performances.